

VZCZCXRO5395
RR RUEHBC RUEHDA RUEHDE RUEHIHL RUEHKUK
DE RUEHGB #3485/01 2610217
ZNR UUUUU ZZH
R 180217Z SEP 06
FM AMEMBASSY BAGHDAD
TO RUEHRC/DEPT OF AGRICULTURE WASHDC
RUEHC/SECSTATE WASHDC 6948
INFO RUCNRAQ/IRAQ COLLECTIVE
RUEHC/DEPT OF LABOR WASHDC

UNCLAS SECTION 01 OF 02 BAGHDAD 003485

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E.O. 12958: N/A

TAGS: [EAGR](#) [EAID](#) [ECON](#) [ELAB](#) [IZ](#)

SUBJECT: AGRICULTURE PROJECT AND KOREAN VOCATIONAL TRAINING
SITE IN ERBIL

11. (U) Summary. MNF-I's Civil-Military Directorate and Econoff traveled to Erbil August 29 - 30, to visit a vocational instruction site operated by Korean coalition forces, and a honey production project supported by USAID. The Korean project conducted training in a wide range of skills. Classes were well attended, and the training was thorough. Honey production is the number one source of revenue for the village visited. The USG group also received a briefing from the country director for the USAID contractor Development Alternatives, Inc. on the status of current projects. End Summary.

12. (U) Staff from MNF-I's Civil-Military Operations (CMO) Directorate and EconOff traveled to Erbil August 29-30 to visit a vocational training center operated by Korean Coalition Forces, and a honey production agricultural project. The group also met with the country director of USAID's contractor Development Alternatives, Inc. (DAI).

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Korean-run Training Center
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13. (U) The vocational training center is located in the Korean military facility, Zaytun, and conducts classes in basic computer operation skills, repair and maintenance of automobiles, diesel motors, and air conditioners, as well as commercial baking and heavy machine operation. The classes are eight weeks in length, and classes observed by the group were well attended. The Korean military officers stated that the amount paid out of the Korean defense budget was approximately 2M USD. (Comment: The amount does not include the donated equipment such as cars, repair equipment, air conditioners, and excavators from well-known Korean companies such as Hyundai, Daewoo, and Samsung. End Comment.) The Zaytun vocational education center is the model that MNF-I is using to create the National Vocational Training and Employment program. This program will build 11 facilities across Iraq and is currently in the funding stage.

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DAI
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14. (U) The group later in the day met with the country director for DAI at its offices in Erbil for an update on various USG supported projects. DAI's current contract is at its end, so its operations in Iraq are winding down. CMO asked if it was possible to obtain wheat designed to grow in the saline soil found in Iraq. DAI said that there are varieties from Syria that would work very well in Iraq's soil. Econoff asked about GOI price supports for wheat and their effect on local production and the Iraqi market. DAI said that although GOI guaranteed prices per metric ton for wheat are higher than world prices, the difference is almost entirely negated by the costs of importing the world-priced wheat such as high transportation and demurrage costs that, when added to world price for imported wheat, brought it more

or less in line with GOI's guaranteed price.

Show Me the Honey

15. (U) On August 30, the group traveled to the village of Shaqlawa, about an hour's drive north of Erbil, to meet with local honey producers. The farmers gave a tour of their small facility including an inspection of the hives, and a sample of the raw product. The DAI staff brought along equipment that allows farmers to spin honey out of the collection boards. The machine significantly reduces the labor and time needed to harvest the honey. The farmers and the DAI's staff pointed out that about 300 metric tons of honey is produced per year in Iraq, and another 300 to 400 metric tons is imported, so there is significant room for expanded development of honey production in Iraq. The farmers indicated that they would benefit from more training centers on bee keeping and additional equipment. Since it does not take much effort to keep the bees according to DAI's staff, bee-keeping is a good part-time job for many in the area. One hive provides about 250 USD per year in income, a significant sum in Iraq where average yearly farm income is estimated to be 1500 USD. The farm visited by the USG group had approximately 100 hives, so its yearly income, according to this estimate, is about 25,000 USD. Honey is the number one income producer for the village, followed by pomegranate production in which the bees are used as pollinators.

Comment

16. (SBU) Comment. The projects visited by the USG group presented a very good image of what can be achieved through

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international engagement and the hard work of Iraqi partners; although this region of Iraq is quite secure compared to other regions. During an informal visit to Erbil, the city appeared to be bustling with plenty of goods in the local market. Large construction projects were much in evidence with numerous large cranes at work in the city. This admittedly anecdotal evidence does demonstrate the significant economic potential in Iraq, once a reasonable level of security is established. End Comment.
SPECKHARD